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NEW DEAL IN MILK

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A radio interview between Dr. Fred C. Howe, Consumers' Counsel of the Agricultural Adjustment Administration, and Miss Julia K. Jaffray broadcast by the NBC and a network of associated stations.

ANNOUNCER:

This afternoon you are going to hear Miss Julia K. Jaffray, Chairman of the Public Welfare Division of the General Federation of Women's Clubs, and Dr. Fred C. Howe, Consumers' Counsel of the Agricultural Adjustment Administration, in another of their series of radio interviews on problems concerning consumers under the National Recovery Program. Miss Jaffray is going to have Dr. Howe tell you about the New Deal In Milk. I present Miss Jaffray:

MISS JAFFRAY:

Dr. Howe, I think it is important to consumers to know about the public milk hearings which the Agricultural Adjustment Administration is holding in different sections of the country. Will you explain their purpose and how consumers can take part in them?

DR. HOWE:

These hearings deal with milk marketing agreements. Let me explain first what these agreements are and how they are made.

MISS JAFFRAY:

Please do.

DR. HOWE:

Groups of producers and distributors, acting under the authority of the Agricultural Adjustment Act, ask the Agricultural Administration to join with them in agreements that will stabilize milk prices and treat consumers and distributors fairly. First, a tentative agreement is drawn up. Then the provisions of this tentative agreement are considered at a public hearing where all parties interested have opportunity to offer modifications or make any objections. On the basis of the facts contained in the record of this hearing, a final agreement is written. This final agreement becomes effective when it has been approved by the Secretary of Agriculture and the producers and distributors in the particular area to which it applies.

MISS JAFFRAY:

Then through these agreements the Administration hopes to untangle the milk problems of the country.

DR. HOWE:

Conditions in many milk markets were so bad, Miss Jaffray,

something had to be done to help out the dairy farmers. In some cases there was danger of milk strikes. In many cases there was danger that high quality standards of milk production could not be maintained. Consumers as well as the producer have suffered from the chaotic state of affairs that has prevailed in milk markets throughout the country. Milk consumption going down and Producers growing poorer and poorer. Plenty of milk to be had, but with falling incomes consumers could not pay the prices charged. Just the other day, at the public milk hearing in Chicago, Miss Jaffray, I heard it stated that one hundred thousand Chicago babies were going without milk. The Administration hoped by these milk marketing agreements to put some order into the business of supplying and distributing milk to enable the Producers to earn decent livings and to make it possible for consumers to obtain milk at fair prices.

MISS JAFFRAY:

Dr. Howe, as I understand it, the practice at first was to hold public hearings in Washington on these milk marketing agreements.

DR. HOWE:

That's correct, Miss Jaffray. Milk problems are mainly local problems. The understanding and cooperation of local communities are necessary to set up and maintain prices fair to farmers and consumers, so we changed our procedure on milk hearings. Under the new procedure of holding local public hearings, proposed milk agreements are being taken back to the communities effected by them, so that consumers, as well as producers and distributors, can have their say on how their milk supply is to be controlled and what prices they shall pay.

MISS JAFFRAY:

Dr. Howe, will you describe how these local public hearings are conducted?

DR. HOWE:

Let us suppose you're attending a public hearing on a milk agreement for the city of "X". You soon discover that the hearing is something like a town hall meeting where every one has his say. Farmers who supply the city of "X" with milk are there. They complain they are receiving so little for their milk that they are broke or are going broke. Distributors are there. They also ask for a new deal. They complain about unfair trade practices and cut-throat competition. Consumers are there. They are having a hard time making both ends meet. They say milk prices are so high that they have to cut down on the amount of milk they use. They want milk prices that will enable them to give their children the amount of milk necessary to their health.

MISS JAFFRAY:

Who represents the Administration at this hearing?

DR. HOWE:

You will find four men from Washington there. One comes from the legal department of the Agricultural Adjustment Administration; another from the marketing division. The third man represents the Consumers' Counsel. He is there to protect the interests of the consumers. The fourth man is a hearing clerk from the Department of Agriculture.

These men representing the Administration at Washington are there to learn the facts about the milk conditions of the city of "X" from the people of "X" and from the farmers and distributors in that area. It is their job to get together a workable milk marketing agreement that will be fair to producers, consumers, and distributors. The facts brought out at this public hearing will supply the basis for this final agreement.

MISS JAFFRAY:

Is any consumer permitted to speak at these public hearings?

DR. HOWE:

That depends on the presiding officer. He may rule that, in order to save time or to keep the hearing orderly, individual consumers must submit questions to him or through the representative of the Consumers' Counsel present. Any individual consumer, if he is not allowed to speak, is thus given ample opportunity to get his questions, his objections, or suggestions into the written record of the hearing.

MISS JAFFRAY:

It seems to me that the best way for consumers to present their case at these hearings would be through committees or organized groups.

DR. HOWE:

I agree with you, Miss Jaffray. Representatives of organized consumer groups are always heard at these hearings, just as representatives of the farmer and distributor groups are heard.

MISS JAFFRAY:

If I were a consumer in one of these places where a public milk hearing had been called and there was no consumers' group I would try to organize one. The first thing I would suggest to such a group would be a list of questions to ask at the hearing.

DR. HOWE:

Fine!

MISS JAFFRAY:

Dr. Howe, what type of questions would you suggest for such a list?

DR. HOWE:

Well, consumers should bear in mind that the questions they ask at these hearings go into the written record and the final agreement is written on the basis of information contained in this record. Therefore, it is important to ask questions pertinent to their interests. For instance, such questions as, how much the proposed agreement raises prices to consumers and how much of this increase goes to the farmers; whether the price of a half pint of cream under the agreement will be more than the price of a quart of milk; and if more than one grade of milk is sold, what the difference is between the grades. Questions like these put the consumers' point of view into the record.

MISS JAFFRAY:

I think consumers should see to it that special milk prices to schools, charity wards in hospitals, and relief agencies are included in any milk agreement drawn up.

DR. HOWE:

Excellent suggestion, Miss Jaffray! The Agricultural Adjustment Administration hopes a clause to that effect will be inserted in all agreements.

MISS JAFFRAY:

Dr. Howe, do the agreements provide for any control body to administer the agreement finally decided upon?

DR. HOWE:

Some of the agreements provide for milk control boards.

MISS JAFFRAY:

Are milk consumers to have representation on these boards?

DR. HOWE:

Some of the proposed agreements provide for consumer representation.

MISS JAFFRAY:

When none is provided, consumers should demand representation.

DR. HOWE:

It is up to the consumers, Miss Jaffray. They should ask at a public hearing when an agreement comes up, whether they are to be represented on any control board set up. If they are to be represented, they should ask how their representatives on the board are to be selected. In the recent public hearing on the Oklahoma City milk agreement which provides for equal consumer representation on the local milk control board along with

producers and distributors, the consumers' committee asked that the selection of the consumers' representatives be left to the Chamber of Commerce.

MISS JAFFRAY:

It strikes me that consumer groups should get together and elect their own representatives, just as the farmer and distributor organizations do.

DR. HOWE:

The consumers have the right to ask for representation on these control boards. When it is given them, it is for them to suggest how these representatives shall be chosen.

MISS JAFFRAY:

How about the milk agreements which became effective before these local hearings were held? It seems unfair to the communities effected by these agreements that they should not have the chance to be heard in the same manner as those places where public hearings are now being held or are scheduled.

DR. HOWE:

Such agreements may be re-opened at public hearings. It was to re-open final milk marketing agreements already in effect that public hearings were held in Philadelphia and Chicago. The public hearing now going on in Boston was called for the purpose of re-opening the Greater Boston Milk Shed agreement. In Chicago, the mayor and a committee of the city council asked the Agricultural Adjustment Administration to re-open the milk agreement.

MISS JAFFRAY:

Dr. Howe, the consumers in a city or town where one of these public milk hearings is held can ask advice from the representative sent from your department, can't they?

DR. HOWE:

They certainly can. That's what he's there for--to help consumers. The representative of the Consumers' Council at a hearing is always ready to confer with the consumers. But let me emphasize this, Miss Jaffray: It is up to the consumers in each community where such a hearing is held to do their part. The hearing gives them the opportunity to present their interests. It is their chance to be heard, to say what they think about the milk service in their community, to point out wastes in distribution, to suggest how they'd like to see milk distribution organized, to learn what it costs to deliver milk to their doorsteps, to suggest cutting out unnecessary services, to say what prices they can pay and to make certain that consumers are adequately represented on any milk control board that may be set up.

MISS JAFFRAY:

The facts brought out should give the consumers a better understanding of the farmer's problems.

DR. HOWE:

Those hearings give a better understanding all around. Every phase of the milk problem is gone into from every viewpoint. The proposed agreement is gone over, clause by clause. Consumer, producer, and distributor have the chance to discuss each clause, to pick it to pieces, to suggest changes. New facts are constantly being brought out. The consumer learns that wholesale milk prices must go up to give the farmer opportunity to make a living. By the questions they ask they can make sure that the farmer is going to get his proper share of any increase in retail prices.

MISS JAFFRAY:

Consumers haven't had the chance before to say what they think about milk prices.

DR. HOWE:

They haven't had a chance like this since distributing milk became a specialized business.

MISS JAFFRAY:

It's a new deal for the consumers--the biggest thing that has happened to them.

DR. HOWE:

Yes. To my mind this new procedure of holding local public milk hearings is one of the most significant developments of the New Deal. It recognizes that consumers have a big stake in these milk agreements that affect their milk supply and the prices they pay.

Milk is the most important single farm product and the most important food in the family diet. If these milk marketing agreements are to make possible fairer prices to farmers and larger milk consumption by the public, consumers should have a hand in drawing them up. Holding hearings on the tentative agreements back home where the consumers who have to pay the bill can ask questions and present their side of the milk problem, it is a long step toward cooperatively arriving at a workable plan.

MISS JAFFRAY:

Dr. Howe, I want to say a few words to the radio audience. You have heard Dr. Howe tell how important these public milk hearings are to the consumers. If one is held in your town, get together and present the consumers' side. The current issue of the Consumers' Guide publishes a list suggesting questions to be asked by consumers at these hearings. I am going to read some of the questions on this list. Here are some typical ones:

How much of the price I pay for a quart of milk goes to the farmer?

How much does the proposed milk agreement raise prices to

the consumers? How much of this increase goes to the farmers?

Will there be consumers on the milk control board set up by the agreement? How will they be chosen?

How do the health regulations compare with the model milk ordinance of the United States Public Health Service?

What is the difference between the grades of milk; in bacteria count; in butter fat?

Is the price of a half pint of table cream more than the price of a quart of standard milk?

Is the supply of milk restricted in any way by health regulations or by the agreement?

Is raw milk sold? Is there sanitary inspection of farms?

Is there a special price for milk to schools, hospitals, and relief agencies?

If you want this list of questions, send to the Consumers' Counsel, Agricultural Adjustment Administration, Washington, D. C.

The Administration has given consumers this opportunity to be heard. As Dr. Howe has said, it is up to you to take advantage of it, if a hearing is held in your town. You have a chance to tell what you think of the milk situation in your town, to have what you say go into the record from which the final agreement affecting your community will be written. If you haven't an organized consumers' group in your town, organize one to present the consumers' side at the hearing. This is a new deal for the consumers. For the first time they have the chance to speak up about milk prices and about their milk supply.

ANNOUNCER:

You have just heard Miss Julia K. Jaffray, Chairman of the Welfare Division of the General Federation of Women's Clubs, and Dr. Fred C. Howe, Consumers' Counsel of the Agricultural Adjustment Administration, discuss the local public milk hearings being held in various sections of the country by the Agricultural Adjustment Administration. One of these hearings opens tomorrow in McAlester, Okla.; another starts on Friday in Tulsa; and on December 11 a public hearing will be held in Bartlesville, Okla. Let us hope consumers in these places will follow Miss Jaffray's advice and present their cases. The object of the hearings is to give an even chance to consumers, farmers, and distributors. Consumers may get a copy of the list of questions suggested for milk hearings by sending a request to the Consumers' Counsel, Agricultural Adjustment Administration, Washington, D. C.

Each week officers of the General Federation of Women's Clubs interviews the consumer under the Agricultural Adjustment Act. These interviews are broadcast every Thursday at this time by the National Broadcasting Company and associated stations.

If you have any questions to ask or suggestions to offer in regard to these interviews, write Miss Jaffray at the Washington headquarters of the General Federation of Women's Clubs.

